

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

GOVERNMENT WASTE, FRAUD, AND ERROR REDUCTION ACT OF 1999

Mr. HORN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1442) to amend the Federal Property and Administrative Services Act of 1949 to continue and extend authority for transfers to State and local governments of certain property for law enforcement, public safety, and emergency response purposes, as amended.

The Clerk read as follows:

H.R. 1442

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “Government Waste, Fraud, and Error Reduction Act of 1999”.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Purposes.

Sec. 3. Definition.

Sec. 4. Application of Act.

TITLE I—GENERAL MANAGEMENT IMPROVEMENTS

Sec. 101. Improving financial management.

Sec. 102. Improving travel management.

TITLE II—IMPROVING FEDERAL DEBT COLLECTION PRACTICES

Sec. 201. Miscellaneous corrections to subchapter II of chapter 37 of title 31, United States Code.

Sec. 202. Barring delinquent Federal debtors from obtaining Federal benefits.

Sec. 203. Collection and compromise of nontax debts and claims.

TITLE III—SALE OF NONTAX DEBTS OWED TO UNITED STATES

Sec. 301. Authority to sell nontax debts.

Sec. 302. Requirement to sell certain nontax debts.

TITLE IV—TREATMENT OF HIGH VALUE NONTAX DEBTS

Sec. 401. Annual report on high value nontax debts.

Sec. 402. Review by Inspectors General.

Sec. 403. Requirement to seek seizure and forfeiture of assets securing high value nontax debt.

TITLE V—FEDERAL PAYMENTS

Sec. 501. Transfer of responsibility to Secretary of the Treasury with respect to prompt payment.

Sec. 502. Promoting electronic payments.

Sec. 503. Debt services account.

TITLE VI—FEDERAL PROPERTY

Sec. 601. Amendment to Federal Property and Administrative Services Act of 1949.

SEC. 2. PURPOSES.

The purposes of this Act are the following:

- (1) To reduce waste, fraud, and error in Federal benefit programs.

- (2) To focus Federal agency management attention on high-risk programs.

- (3) To better collect debts owed to the United States.

- (4) To improve Federal payment systems.

- (5) To improve reporting on Government operations.

SEC. 3. DEFINITION.

As used in this Act, the term “nontax debt” means any debt (within the meaning of that term as used in chapter 37 of title 31, United States Code) other than a debt under the Internal Revenue Code of 1986 or the Tariff Act of 1930.

SEC. 4. APPLICATION OF ACT.

No provision of this Act shall apply to the Department of the Treasury or the Internal Revenue Service to the extent that such provision—

- (1) involves the administration of the internal revenue laws; or

- (2) conflicts with the Internal Revenue Service Restructuring and Reform Act of 1998, the Internal Revenue Code of 1986, or the Tariff Act of 1930.

TITLE I—GENERAL MANAGEMENT IMPROVEMENTS

SEC. 101. IMPROVING FINANCIAL MANAGEMENT.

Section 3515 of title 31, United States Code, is amended—

- (1) in subsection (a)—

- (A) by striking “1997” and inserting “2000”; and

- (B) by inserting “Congress and” after “submit to”; and

- (2) by striking subsections (e), (f), (g), and (h).

SEC. 102. IMPROVING TRAVEL MANAGEMENT.

(a) LIMITED EXCLUSION FROM REQUIREMENT REGARDING OCCUPATION OF QUARTERS.—Section 5911(e) of title 5, United States Code, is amended by adding at the end the following new sentence: “The preceding sentence shall not apply with respect to lodging provided under chapter 57 of this title.”.

(b) USE OF TRAVEL MANAGEMENT CENTERS, AGENTS, AND ELECTRONIC PAYMENT SYSTEMS.—

(1) REQUIREMENT TO ENCOURAGE USE.—The head of each executive agency shall, with respect to travel by employees of the agency in the performance of the employment duties by the employee, require, to the extent practicable, the use by such employees of travel management centers, travel agents authorized for use by such employees, and electronic reservation and payment systems for the purpose of improving efficiency and economy regarding travel by employees of the agency.

(2) PLAN FOR IMPLEMENTATION.—(A) The Administrator of General Services shall develop a plan regarding the implementation of this subsection and shall, after consultation with the heads of executive agencies, submit to Congress a report describing such plan and the means by which such agency heads plan to ensure that employees use travel management centers, travel agents, and electronic reservation and payment systems as required by this subsection.

(B) The Administrator shall submit the plan required under subparagraph (A) not later than March 31, 2000.

(c) PAYMENT OF STATE AND LOCAL TAXES ON TRAVEL EXPENSES.—

(1) IN GENERAL.—The Administrator of General Services shall develop a mechanism to ensure that employees of executive agencies are not inappropriately charged State and local taxes on travel expenses, including transportation, lodging, automobile rental, and other miscellaneous travel expenses.

(2) REPORT.—Not later than March 31, 2000, the Administrator shall, after consultation with the heads of executive agencies, submit to Congress a report describing the steps taken, and proposed to be taken, to carry out this subsection.

TITLE II—IMPROVING FEDERAL DEBT COLLECTION PRACTICES

SEC. 201. MISCELLANEOUS CORRECTIONS TO SUBCHAPTER II OF CHAPTER 37 OF TITLE 31, UNITED STATES CODE.

(a) CHILD SUPPORT ENFORCEMENT.—Section 3716(h)(3) of title 31, United States Code, is amended to read as follows:

“(3) In applying this subsection with respect to any debt owed to a State, other than past due support being enforced by the State, subsection (c)(3)(A) shall not apply.”.

(b) DEBT SALES.—Section 3711 of title 31, United States Code, is amended by striking subsection (i).

(c) GAINSHARING.—Section 3720C(b)(2)(D) of title 31, United States Code, is amended by striking “delinquent loans” and inserting “debts”.

(d) PROVISIONS RELATING TO PRIVATE COLLECTION CONTRACTORS.—

(1) COLLECTION BY SECRETARY OF THE TREASURY.—Section 3711(g) of title 31, United States Code, is amended by adding at the end the following:

“(11) In attempting to collect under this subsection through the use of garnishment any debt owed to the United States, a private collection contractor shall not be precluded from verifying the debtor’s current employer, the location of the payroll office of the debtor’s current employer, the period the debtor has been employed by the current employer of the debtor, and the compensation received by the debtor from the current employer of the debtor.

“(12) In evaluating the performance of a contractor under any contract entered into under this subsection, the Secretary of the Treasury shall consider the contractor’s gross collections net of commissions (as a percentage of account amounts placed with the contractor) under the contract. The existence and frequency of valid debtor complaints shall also be considered in the evaluation criteria.

“(13) In selecting contractors for performance of collection services, the Secretary of the Treasury shall evaluate bids received through a methodology that considers the bidder’s prior performance in terms of net amounts collected under Government collection contracts of similar size, if applicable. The existence and frequency of valid debtor complaints shall also be considered in the evaluation criteria.”.

(2) COLLECTION BY PROGRAM AGENCY.—Section 3718 of title 31, United States Code, is amended by adding at the end the following:

“(h) In attempting to collect under this subsection through the use of garnishment any debt owed to the United States, a private collection contractor shall not be precluded from verifying the current place of employment of the debtor, the location of the payroll office of the debtor’s current employer, the period the debtor has been employed by the current employer of the debtor, and the compensation received by the debtor from the current employer of the debtor.

“(i) In evaluating the performance of a contractor under any contract for the performance of debt collection services entered into by an executive, judicial, or legislative agency, the head of the agency shall consider the contractor’s gross collections net of commissions (as a percentage of account amounts placed with the contractor) under the contract. The existence and frequency of valid debtor complaints shall also be considered in the evaluation criteria.

“(j) In selecting contractors for performance of collection services, the head of an executive, judicial, or legislative agency shall evaluate bids received through a methodology that considers the bidder’s prior performance in terms of net amounts collected

under government collection contracts of similar size, if applicable. The existence and frequency of valid debtor complaints shall also be considered in the evaluation criteria."

(3) CONSTRUCTION.—None of the amendments made by this subsection shall be construed as altering or superseding the provisions of title 11, United States Code, or section 6103 of the Internal Revenue Code of 1986.

(e) CLERICAL AMENDMENT.—Section 3720A(h) of title 31, United States Code, is amended—

(1) beginning in paragraph (3), by striking the close quotation marks and all that follows through the matter preceding subsection (i); and

(2) by adding at the end the following:

"For purposes of this subsection, the disbursing official for the Department of the Treasury is the Secretary of the Treasury or his or her designee."

(f) CORRECTION OF REFERENCES TO FEDERAL AGENCY.—Sections 3716(c)(6) and 3720A(a), (b), (c), and (e) of title 31, United States Code, are each amended by striking "Federal agency" each place it appears and inserting "executive, judicial, or legislative agency".

(g) INAPPLICABILITY OF ACT TO CERTAIN AGENCIES.—Notwithstanding any other provision of law, no provision in this Act, the Debt Collection Improvement Act of 1996 (chapter 10 of title III of Public Law 104-134; 31 U.S.C. 3701 note), chapter 37 or subchapter II of chapter 33 of title 31, United States Code, or any amendments made by such Acts or any regulations issued thereunder, shall apply to activities carried out pursuant to a law enacted to protect, operate, and administer any deposit insurance funds, including the resolution and liquidation of failed or failing insured depository institutions.

(h) CONTRACTS FOR COLLECTION SERVICES.—Section 3718 of title 31, United States Code, is amended—

(1) in the first sentence of subsection (b)(1)(A), by inserting ", or, if appropriate, any monetary claim, including any claims for civil fines or penalties, asserted by the Attorney General" before the period;

(2) in the third sentence of subsection (b)(1)(A)—

(A) by inserting "or in connection with other monetary claims" after "collection of claims of indebtedness";

(B) by inserting "or claim" after "the indebtedness"; and

(C) by inserting "or other person" after "the debtor"; and

(3) in subsection (d), by inserting "or any other monetary claim of" after "indebtedness owed".

SEC. 202. BARRING DELINQUENT FEDERAL DEBTORS FROM OBTAINING FEDERAL BENEFITS.

(a) IN GENERAL.—Section 3720B of title 31, United States Code, is amended to read as follows:

"§3720B. Barring delinquent Federal debtors from obtaining Federal benefits

"(a)(1) A person shall not be eligible for the award or renewal of any Federal benefit described in paragraph (2) if the person has an outstanding nontax debt that is in a delinquent status with any executive, judicial, or legislative agency, as determined under standards prescribed by the Secretary of the Treasury. Such a person may obtain additional Federal benefits described in paragraph (2) only after such delinquency is resolved in accordance with those standards.

"(2) The Federal benefits referred to in paragraph (1) are the following:

"(A) Financial assistance in the form of a loan (other than a disaster loan) or loan insurance or guarantee.

"(B) Any Federal permit or Federal license required by law.

"(b) The Secretary of the Treasury may exempt any class of claims from the application of subsection (a) at the request of an executive, judicial, or legislative agency.

"(c)(1) The head of any executive, judicial, or legislative agency may waive the application of subsection (a) to any Federal benefit that is administered by the agency based on standards promulgated by the Secretary of the Treasury.

"(2) The head of an executive, judicial, or legislative agency may delegate the waiver authority under paragraph (1) to the chief financial officer or, in the case of any Federal performance-based organization, the chief operating officer of the agency.

"(3) The chief financial officer or chief operating officer of an agency to whom waiver authority is delegated under paragraph (2) may redelegate that authority only to the deputy chief financial officer or deputy chief operating officer of the agency. Such deputy chief financial officer or deputy chief operating officer may not redelegate such authority.

"(d) As used in this section, the term 'nontax debt' means any debt other than a debt under the Internal Revenue Code of 1986 or the Tariff Act of 1930."

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 37 of title 31, United States Code, is amended by striking the item relating to section 3720B and inserting the following:

"3720B. Barring delinquent Federal debtors from obtaining Federal benefits."

(c) CONSTRUCTION.—The amendment made by this section shall not be construed as altering or superseding the provisions of title 11, United States Code.

SEC. 203. COLLECTION AND COMPROMISE OF NONTAX DEBTS AND CLAIMS.

(a) USE OF PRIVATE COLLECTION CONTRACTORS AND FEDERAL DEBT COLLECTION CENTERS.—Paragraph (5) of section 3711(g) of title 31, United States Code, is amended to read as follows:

"(5)(A) Nontax debts referred or transferred under this subsection shall be serviced, collected, or compromised, or collection action thereon suspended or terminated, in accordance with otherwise applicable statutory requirements and authorities.

"(B) The head of each executive agency that operates a debt collection center may enter into an agreement with the Secretary of the Treasury to carry out the purposes of this subsection.

"(C) The Secretary of the Treasury shall—

"(i) maintain a schedule of private collection contractors and debt collection centers operated by agencies that are eligible for referral of claims under this subsection;

"(ii) maximize collections of delinquent nontax debts by referring delinquent nontax debts to private collection contractors promptly;

"(iii) maintain competition between private collection contractors;

"(iv) ensure, to the maximum extent practicable, that a private collection contractor to which a nontax debt is referred is responsible for any administrative costs associated with the contract under which the referral is made.

"(D) As used in this paragraph, the term 'nontax debt' means any debt other than a debt under the Internal Revenue Code of 1986 or the Tariff Act of 1930."

(b) LIMITATION ON DISCHARGE BEFORE USE OF PRIVATE COLLECTION CONTRACTOR OR DEBT COLLECTION CENTER.—Paragraph (9) of section 3711(g) of title 31, United States Code, is amended—

(1) by redesignating subparagraphs (A) through (H) as clauses (i) through (viii);

(2) by inserting "(A)" after "(9)";

(3) in subparagraph (A) (as designated by paragraph (2) of this subsection) in the matter preceding clause (i) (as designated by paragraph (1) of this subsection), by inserting "and subject to subparagraph (B)" after "as applicable"; and

(4) by adding at the end the following:

"(B)(i) The head of an executive, judicial, or legislative agency may not discharge a nontax debt or terminate collection action on a nontax debt unless the debt has been referred to a private collection contractor or a debt collection center, referred to the Attorney General for litigation, sold without recourse, administrative wage garnishment has been undertaken, or in the event of bankruptcy, death, or disability.

"(ii) The head of an executive, judicial, or legislative agency may waive the application of clause (i) to any nontax debt, or class of nontax debts if the head of the agency determines that the waiver is in the best interest of the United States.

"(iii) As used in this subparagraph, the term 'nontax debt' means any debt other than a debt under the Internal Revenue Code of 1986 or the Tariff Act of 1930."

TITLE III—SALE OF NONTAX DEBTS OWED TO UNITED STATES

SEC. 301. AUTHORITY TO SELL NONTAX DEBTS.

(a) PURPOSE.—The purpose of this section is to provide that the head of each executive, judicial, or legislative agency shall establish a program of nontax debt sales in order to—

(1) minimize the loan and nontax debt portfolios of the agency;

(2) improve credit management while serving public needs;

(3) reduce delinquent nontax debts held by the agency;

(4) obtain the maximum value for loan and nontax debt assets; and

(5) obtain valid data on the amount of the Federal subsidy inherent in loan programs conducted pursuant to the Federal Credit Reform Act of 1990 (Public Law 93-344).

(b) SALES AUTHORIZED.—(1) Section 3711 of title 31, United States Code, is amended by inserting after subsection (h) the following new subsection:

"(i)(1) The head of an executive, judicial, or legislative agency may sell, subject to section 504(b) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661c(b)) and using competitive procedures, any nontax debt owed to the United States that is administered by the agency.

"(2) Costs the agency incurs in selling nontax debt pursuant to this subsection may be deducted from the proceeds received from the sale. Such costs include—

"(A) the costs of any contract for identification, billing, or collection services;

"(B) the costs of contractors assisting in the sale of nontax debt;

"(C) the fees of appraisers, auctioneers, and realty brokers;

"(D) the costs of advertising and surveying; and

"(E) other reasonable costs incurred by the agency, as determined by the Director of the Office of Management and Budget.

"(3) Sales of nontax debt under this subsection—

"(A) shall be for—

"(i) cash; or

"(ii) cash and a residuary equity, joint venture, or profit participation, if the head of the agency, in consultation with the Director of the Office of Management and Budget and the Secretary of the Treasury, determines that the proceeds will be greater than the proceeds from a sale solely for cash;

"(B) shall be without recourse against the United States; and

“(C) shall transfer to the purchaser all rights of the United States to demand payment of the nontax debt, other than with respect to a residuary equity, joint venture, or profit participation under subparagraph (A)(ii), but shall not transfer to the purchaser any rights or defenses uniquely available to the United States.

“(3) This subsection is not intended to limit existing statutory authority of the head of an executive, judicial, or legislative agency to sell loans, nontax debts, or other assets.”.

SEC. 302. REQUIREMENT TO SELL CERTAIN NONTAX DEBTS.

Section 3711 of title 31, United States Code, is amended further by adding at the end the following new subsection:

“(j)(1)(A) The head of each executive, judicial, or legislative agency shall sell any nontax loan owed to the United States by the later of—

“(i) the date on which the nontax debt becomes 24 months delinquent; or

“(ii) 24 months after referral of the nontax debt to the Secretary of the Treasury pursuant to section 3711(g)(1) of title 31, United States Code. Sales under this subsection shall be conducted under the authority in section 301.

“(B) The head of an executive, judicial, or legislative agency, in consultation with the Director of the Office of Management and Budget and the Secretary of the Treasury, may exempt from sale delinquent debt or debts under this subsection if the head of the agency determines that the sale is not in the best financial interest of the United States.

“(2) The head of each executive, judicial, or legislative agency shall sell each loan obligation arising from a program administered by the agency, not later than 6 months after the loan is disbursed, unless the head of the agency determines that the sale would interfere with the mission of the agency administering the program under which the loan was disbursed, or the head of the agency, in consultation with the Director of the Office of Management and Budget and the Secretary of the Treasury, determines that a longer period is necessary to protect the financial interests of the United States. Sales under this subsection shall be conducted under the authority in section 301.

“(3) After terminating collection action, the head of an executive, judicial, or legislative agency shall sell, using competitive procedures, any nontax debt or class of nontax debts owed to the United States unless the head of the agency, in consultation with the Director of the Office of Management and Budget and the Secretary of the Treasury, determines that the sale is not in the best financial interests of the United States. Sales under this paragraph shall be conducted under the authority of subsection (i).

“(4)(A) The head of an executive, judicial, or legislative agency shall not, without the approval of the Attorney General, sell any nontax debt that is the subject of an allegation of or investigation for fraud, or that has been referred to the Department of Justice for litigation.

“(B) The head of an executive, judicial, or legislative agency may exempt from sale under this subsection any class of nontax debts or loans if the head of the agency determines that the sale would interfere with the mission of the agency administering the program under which the indebtedness was incurred.”.

TITLE IV—TREATMENT OF HIGH VALUE NONTAX DEBTS

SEC. 401. ANNUAL REPORT ON HIGH VALUE NONTAX DEBTS.

(a) IN GENERAL.—Not later than 90 days after the end of each fiscal year, the head of

each agency that administers a program that gives rise to a delinquent high value nontax debt shall submit a report to Congress that lists each such debt.

(b) CONTENT.—A report under this section shall, for each debt listed in the report, include the following:

(1) The name of each person liable for the debt, including, for a person that is a company, cooperative, or partnership, the names of the owners and principal officers.

(2) The amounts of principal, interest, and penalty comprising the debt.

(3) The actions the agency has taken to collect the debt, and prevent future losses.

(4) Specification of any portion of the debt that has been written-down administratively or due to a bankruptcy proceeding.

(5) An assessment of why the debtor defaulted.

(c) DEFINITIONS.—In this title:

(1) AGENCY.—The term “agency” has the meaning that term has in chapter 37 of title 31, United States Code, as amended by this Act.

(2) HIGH VALUE NONTAX DEBT.—The term “high value nontax debt” means a nontax debt having an outstanding value (including principal, interest, and penalties) that exceeds \$1,000,000.

SEC. 402. REVIEW BY INSPECTORS GENERAL.

The Inspector General of each agency shall review the applicable annual report to Congress required in section 401 and make such recommendations as necessary to improve performance of the agency. Each Inspector General shall periodically review and report to Congress on the agency's nontax debt collection management practices. As part of such reviews, the Inspector General shall examine agency efforts to reduce the aggregate amount of high value nontax debts that are resolved in whole or in part by compromise, default, or bankruptcy.

SEC. 403. REQUIREMENT TO SEEK SEIZURE AND FORFEITURE OF ASSETS SECURING HIGH VALUE NONTAX DEBT.

The head of an agency authorized to collect a high value nontax debt that is delinquent shall, when appropriate, promptly seek seizure and forfeiture of assets pledged to the United States in any transaction giving rise to the nontax debt. When an agency determines that seizure or forfeiture is not appropriate, the agency shall include a justification for such determination in the report under section 401.

TITLE V—FEDERAL PAYMENTS

SEC. 501. TRANSFER OF RESPONSIBILITY TO SECRETARY OF THE TREASURY WITH RESPECT TO PROMPT PAYMENT.

(a) DEFINITION.—Section 3901(a)(3) of title 31, United States Code, is amended by striking “Director of the Office of Management and Budget” and inserting “Secretary of the Treasury”.

(b) INTEREST.—Section 3902(c)(3)(D) of title 31, United States Code, is amended by striking “Director of the Office of Management and Budget” and inserting “Secretary of the Treasury”.

(c) REGULATIONS.—Section 3903(a) of title 31, United States Code, is amended by striking “Director of the Office of Management and Budget” and inserting “Secretary of the Treasury”.

SEC. 502. PROMOTING ELECTRONIC PAYMENTS.

(a) EARLY RELEASE OF ELECTRONIC PAYMENTS.—Section 3903(a) of title 31, United States Code, is amended—

(1) by amending paragraph (1) to read as follows:

“(1) provide that the required payment date is—

“(A) the date payment is due under the contract for the item of property or service provided; or

“(B) no later than 30 days after a proper invoice for the amount due is received if a specific payment date is not established by contract;”; and

(2) by striking “and” after the semicolon at the end of paragraph (8), by striking the period at the end of paragraph (9) and inserting “; and”, and by adding at the end the following:

“(10) provide that the Secretary of the Treasury may waive the application of requirements under paragraph (1) to provide for early payment of vendors in cases where an agency will implement an electronic payment technology which improves agency cash management and business practice.”.

(b) AUTHORITY TO ACCEPT ELECTRONIC PAYMENT.—

(1) IN GENERAL.—Subject to an agreement between the head of an executive agency and the applicable financial institution or institutions based on terms acceptable to the Secretary of the Treasury, the head of such agency may accept an electronic payment, including debit and credit cards, to satisfy a nontax debt owed to the agency.

(2) GUIDELINES FOR AGREEMENTS REGARDING PAYMENT.—The Secretary of the Treasury shall develop guidelines regarding agreements between agencies and financial institutions under paragraph (1).

SEC. 503. DEBT SERVICES ACCOUNT.

(a) TRANSFER OF FUNDS TO DEBT SERVICES ACCOUNT.—The Secretary of the Treasury may transfer balances in accounts established before the date of the enactment of this Act pursuant to section of 3711(g)(7) of title 31, United States Code, to the Debt Services Account established under subsection (b). All amounts transferred to the Debt Services Account under this section shall remain available until expended.

(b) ESTABLISHMENT OF DEBT SERVICES ACCOUNT.—Subsection (g)(7) of section 3711 of title 31, United States Code, is amended by striking the second sentence and inserting the following: “Any fee charged pursuant to this subsection shall be deposited into an account established in the Treasury to be known as the ‘Debt Services Account’ (hereinafter referred to in this section as the ‘Account’).”.

(c) REIMBURSEMENT OF FUNDS.—Section 3711(g) of title 31, United States Code, is amended—

(1) by striking paragraph (8);

(2) by redesignating paragraphs (9) and (10) as paragraphs (8) and (9), respectively; and

(3) by amending paragraph (9) (as redesignated by paragraph (2)) to read as follows:

“(9) To carry out the purposes of this subsection, including services provided under sections 3716 and 3720A, the Secretary of the Treasury may—

“(A) prescribe such rules, regulations, and procedures as the Secretary considers necessary;

“(B) transfer such funds from funds appropriated to the Department of the Treasury as may be necessary to meet liabilities and obligations incurred prior to the receipt of fees that result from debt collection; and

“(C) reimburse any funds from which funds were transferred under subparagraph (B) from fees collected pursuant to sections 3711, 3716, and 3720A. Any reimbursement under this subparagraph shall occur during the period of availability of the funds transferred under subparagraph (B) and shall be available to the same extent and for the same purposes as the funds originally transferred.”.

(d) DEPOSIT OF TAX REFUND OFFSET FEES.—The last sentence of section 3720A(d) of title 31, United States Code, is amended to read as follows: “Amounts paid to the Secretary of the Treasury as fees under this section shall

be deposited into the Debt Services Account of the Department of the Treasury described in section 3711(g)(7) and shall be collected and accounted for in accordance with the provisions of that section."

TITLE VI—FEDERAL PROPERTY

SEC. 601. AMENDMENT OF FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949.

Section 203(p)(1)(B) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(p)(1)(B)) is amended—

- (1) by striking clause (ii);
- (2) by striking "(i)";
- (3) by striking "(I)" and inserting "(i)"; and
- (4) by striking "(II)" and inserting "(ii)".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. HORN) and the gentleman from Texas (Mr. TURNER) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. HORN).

Mr. HORN. Mr. Speaker, I yield myself such time as I may consume.

H.R. 1442 the Law Enforcement and Public Enhancement Act of 1999 is a bill introduced by my colleague from California (Mr. CALVERT). The amendment I am offering aims to accomplish two goals. First, it would improve the efficiency and economy of Federal debt collection practices. Federal credit management and Federal travel practices.

Second, the bill would also eliminate a December 31, 1999, sunset date for a provision in the Federal Property and Administrative Services Act that authorizes the transfer of surplus Federal real property at no cost to the State and local governments for law enforcement and emergency response purposes.

In a moment I will yield to the gentleman from California (Mr. CALVERT) to explain the portion of the bill that would amend the Federal Property and Administrative Services Act of 1949. First, however, let me say that the bill before us contains a number of provisions that are designed to improve Federal debt collection, credit management and travel management. As the Subcommittee on Government Management, Information and Technology learned at its June 15, 1999, hearing on Federal debt collection, at the end of fiscal year 1998 the Federal Government was owed more than \$60 billion in delinquent, non-tax debt such as student loans and housing loans.

More than \$49 billion of this \$60 billion in delinquent non-tax debts was delinquent for more than 180 days. To facilitate collection of this enormous amount of non-tax debt, Congress passed and the President signed into law the Debt Collection Improvement Act of 1996. This bipartisan legislation in which the gentlewoman from New York (Mrs. MALONEY) was the ranking member and joined me in authoring this legislation, this bipartisan legislation established significant new debt collection authorities and enhanced existing ones.

H.R. 1442, as amended, builds upon the Debt Collection Improvement Act

by providing the Federal Government with additional authorities to improve its collection of delinquent non-tax debts. The bill would prohibit Federal agencies from writing off delinquent non-tax debts prior to initiating collection procedures. The bill authorizes the offset or withholding of Social Security benefits to recipients who owe past-due child support to a State.

Currently, Social Security benefits can be intercepted to offset a recipient's debt to the Federal Government. This bill would assist States in their efforts to collect the billions of dollars in unpaid child support, billions of dollars in unpaid child support. According to the Congressional Budget Office, this added offset authority would recover \$17 million each year in past-due child support. To help eliminate waste, fraud, and error in Federal benefit and credit programs, H.R. 1442, as amended, would authorize Federal agencies to bar delinquent debtors from obtaining a Federal permit, license or from receiving financial assistance in the form of a loan or loan guarantee until the debt is repaid.

The bill also focuses attention on large debts. It would require agencies to report annually to Congress on their high value delinquent debts of \$1 million or more. H.R. 1442, as amended, promotes the sale of new and delinquent loans by Federal agencies. Loan sale programs would benefit the Federal Government in a number of ways. Loans that are sold in a competitive market could yield substantial proceeds, reduce administrative costs, and allow agencies to focus their limited resources on other programs. An agency with guidance from the Office of Management and Budget could exempt any class of debt from the sale provisions of this bill if it were determined that the sale would interfere with agencies, programs or mission.

For example, certain performing loans requiring specialized services provided by the Federal departments and agencies could be exempt from the sales provision of this bill by the agency head in consultation with the director of the Office of Management and Budget provided that the sale would interfere with the mission of an agency and be not in the financial interests of the United States.

The bill, as amended, also includes provisions to improve Federal employee travel management. The administrator of General Services would be required to develop a mechanism to ensure that employees of executive branch agencies are not charged State and local taxes on travel expenses relating to official business. H.R. 1442 also includes a provision that would remove a December 31, 1999, sunset provision in the Federal Property and Administrative Services Act of 1949. It would make permanent the authority for State and local governments to acquire surplus Federal property for law enforcement and emergency response purposes.

Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. CALVERT).

□ 1530

Mr. CALVERT. Mr. Speaker, I rise to support passage of this bill. H.R. 1442 will amend the Federal Property and Administrative Services Act of 1949 to extend authority for transfers to State and local governments of certain property for law enforcement and emergency response purposes.

I introduced H.R. 1442, the Law Enforcement Public Safety Enhancement Act of 1999, to permanently extend the pilot program that has become an important tool for local law enforcement and public safety officials. Without the help, leadership and support of the gentleman from California (Mr. HORN), my good friend from Long Beach, California, chairman of the Subcommittee on Government Management, Information and Technology, this legislation would never have come to the House floor. I owe a debt of gratitude to him for helping to find the offsets necessary for this bill to conform to budgetary constraints.

I would also like to thank the chairman of the Committee on Government Reform as well as the ranking members of the full committee and subcommittee for their efforts.

As we all know, one of the keys to crime prevention is a well-trained local police force and public safety officials. My bill will strengthen law enforcement and emergency management training, while saving these organizations thousands, sometimes millions, of dollars.

When the Federal Government declares real property as a surplus, various local entities may apply for the property on a no-cost basis if they use the property for some valid social purpose. To obtain the excess Federal property, the local entity must apply to a Federal agency to sponsor the no-cost transfer. My bill would permanently extend this 2-year-old authority to allow local agencies the ability to apply for surplus property at no cost for the purpose of law enforcement and emergency response training.

Due to the efforts of the Riverside, California, Sheriff's Department to create a comprehensive multijurisdictional training center, the need for this legislation became clear. In 1997, Congress passed legislation to create a 2-year pilot program to allow the Department of Justice and the Federal Emergency Management Agency to sponsor local law enforcement and emergency management response entities for a no cost transfer. The results of this 2-year program are startling. Twenty-one separate local agencies in 11 States applied for this program. Their applications are in various stages of the process. Without this legislation, these projects will be stopped in their tracks.

I would like to encourage all of my colleagues to support this pro-law enforcement legislation and give back to

the men and women that battle on our streets every day.

Mr. TURNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Federal Property Act currently allows surplus Federal property to be transferred to state and local governments at a discount off the fair market value. Public benefit discounts are available under current law for public health or educational uses, public parks or recreational areas, historic monuments, correctional institutions, port facilities, public airports and wildlife conservation.

In 1997, this Congress overwhelmingly passed a bill that made Federal surplus property available to State and local authorities for law enforcement and emergency response purposes for a 2-year trial period. With the sunset date fast approaching in December of this year, H.R. 1442, which was introduced through the good work of the gentleman from California (Mr. CALVERT), we will extend that worthwhile provision and make it permanent.

Mr. Speaker, this bill would allow the Department of Justice and FEMA to sponsor the use of excess Federal property for law enforcement and fire fighting and rescue training purposes. I expect this bill will move quickly through the legislative process and become law. Only last week the Senate successfully included a similar provision in the Commerce-Justice-State appropriations bill for fiscal year 2000.

There are currently at least 22 jurisdictions around the country who have submitted applications to acquire surplus Federal property for these purposes, and at least three of them have successfully acquired their property. We must not deny the remaining 19 the opportunity to complete their application process and to secure the property that they need to make their communities safer.

Law enforcement and fire rescue services provide vital services for State and local governments, and it is critical that we allow them to acquire this Federal surplus property at a discount.

This legislation benefits police officers, fire fighters, and other emergency response officials across the country, and I commend the gentleman from California (Mr. CALVERT) for his hard work on this particular provision.

In addition, H.R. 1442, as amended, is designed to address problems with Federal debt collection and Federal credit management. In 1996 Congress passed the Debt Collection Improvement Act, which was designed to centralize management of Federal debt collection at the Department of Treasury and to enhance cooperation of Federal agencies in the collection of delinquent debt.

Within the past 2 years, the Federal Government centralized debt collection activities at the Financial Management Service have begun to work more efficiently. In fact, collections have grown from \$1.7 million in fiscal year

1997 to \$2.5 billion in fiscal year 1999, after the Debt Collection Improvement Act enhanced the Treasury's offset authority.

Clearly there has been improvement in the government collection efforts. There are, however, many challenges that remain. According to the Department of Treasury, the Federal Government is owed approximately \$50 billion in delinquent, non-taxed debt. Of this amount, \$47 billion has been delinquent for more than 180 days. In addition, the Federal Government writes off about \$10 billion in delinquent debts every year.

H.R. 1442 focuses management attention on high-risk programs and builds upon prior initiatives to improve Federal debt collection practices by providing Federal agencies with the additional tools they need to improve Federal debt collection. It is almost identical to H.R. 4857, a bill that passed the House of Representatives with overwhelming bipartisan support under suspension of the rules in the 105th Congress. We passed these provisions by a vote of 419 to 1 earlier this year.

I would like to commend the gentleman from California (Chairman HORN), who has done an outstanding job in leading to improve the Federal debt collection practices through his diligent legislative oversight activities. The gentleman has worked to assure that the taxpayers get every dollar they are entitled to and no more.

I also want to mention and commend the leadership of the gentlewoman from New York (Mrs. MALONEY), who has continued her partnership with the gentleman from California (Chairman HORN) since the time she served in the position of ranking member of this subcommittee.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HORN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I just want to thank the gentleman from Texas (Mr. TURNER), the ranking member. He had an excellent series of questions this morning of the Commissioner of Internal Revenue and the General Accounting Officer. The gentleman is deeply committed to an effective and efficient government, and especially to getting at the non-tax debt.

Mr. Speaker, I urge my colleagues to support this legislation. H.R. 1442, as amended, contains provisions designed to improve the efficiency and effectiveness of Federal debt collection and credit management. It would also assist State and local governments in their efforts to acquire much needed surplus property for law enforcement and emergency response. This legislation has broad bipartisan support, as was evident on the floor. The provisions are the result of a bipartisan effort between majority and minority on the Committee on Government Reform,

working closely with the administration.

Mr. CRAMER. Mr. Speaker, I rise today in support of H.R. 1442, the Law Enforcement and Public Safety Enhancement Act of 1999. I am a co-sponsor of this legislation which makes permanent the General Services Administration authority to transfer federal surplus lands at no cost to state and local governments for the purpose of law enforcement and emergency response services.

H.R. 1442 will have a direct and immediate impact on my Congressional District as well as a number of other districts throughout the country. Currently, thirteen sites across the nation, one of which is in my District, are utilizing a temporary authorization allowing the Department of Justice (DOJ) to transfer excess federal property to local government entities for law enforcement and public safety purposes.

This temporary authority, which expires December 31, 1999, allows local law enforcement, fire services, and emergency management agencies the opportunity to receive federal surplus property through a "no-cost" transfer. This legislation aims to make permanent this temporary authority.

In my Congressional District, the Fifth District of Alabama, the City of Huntsville has applied for the transfer of a Naval Reserve Center to the City for use as a public safety training facility for our police officers, firefighters, and rescue personnel. This facility will allow Huntsville to provide excellent training to the men and women who safeguard our citizens. Currently, Huntsville's application is under review. Many projects that are currently underway or those pending applications for land transfers—like the one in my district—will be severely impacted by the quickly approaching sunset date of December 31, 1999. This legislation will permanently allow the Department of Justice (DOJ) and the Federal Emergency Management Agency (FEMA) to sponsor the use of excess federal property for law enforcement, public safety, and emergency management purposes.

I would like to once again express my strong support for this legislation. We in Congress can and should do everything in our power to assist law enforcement officers, firefighters, and emergency management personnel in their efforts to improve public safety on our streets, in our schools, and in our neighborhoods.

Mr. HORN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. HORN) that the House suspend the rules and pass the bill, H.R. 1442, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "To reduce waste, fraud, and error in Government programs by making improvements with respect to

Federal management and debt collection practices, Federal payment systems, Federal benefit programs, and for other purposes.”

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HORN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1442, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

SILK ROAD STRATEGY ACT OF 1999

Mr. BEREUTER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1152) to amend the Foreign Assistance Act of 1961 to target assistance to support the economic and political independence of the countries of South Caucasus and Central Asia, as amended.

The Clerk read as follows:

H.R. 1152

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Silk Road Strategy Act of 1999”.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) The ancient Silk Road, once the economic lifeline of Central Asia and the South Caucasus, traversed much of the territory now within the countries of Armenia, Azerbaijan, Georgia, Kazakstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan.

(2) Economic interdependence spurred mutual cooperation among the peoples along the Silk Road and restoration of the historic relationships and economic ties between those peoples is an important element of ensuring their sovereignty as well as the success of democratic and market reforms.

(3) The development of strong political, economic, and security ties among countries of the South Caucasus and Central Asia and the West will foster stability in this region, which is vulnerable to political and economic pressures from the south, north, and east.

(4) The development of open market economies and open democratic systems in the countries of the South Caucasus and Central Asia will provide positive incentives for international private investment, increased trade, and other forms of commercial interactions with the rest of the world.

(5) Many of the countries of the South Caucasus have secular Muslim governments that are seeking closer alliance with the United States and that have active and cordial diplomatic relations with Israel.

(6) The region of the South Caucasus and Central Asia could produce oil and gas in sufficient quantities to reduce the dependence of the United States on energy from the volatile Persian Gulf region.

(7) United States foreign policy and international assistance should be narrowly targeted to support the economic and political independence as well as democracy building, free market policies, human rights, and regional economic integration of the countries of the South Caucasus and Central Asia.

SEC. 3. POLICY OF THE UNITED STATES.

It shall be the policy of the United States in the countries of the South Caucasus and Central Asia—

(1) to promote and strengthen independence, sovereignty, democratic government, and respect for human rights;

(2) to promote tolerance, pluralism, and understanding and counter racism and anti-Semitism;

(3) to assist actively in the resolution of regional conflicts and to facilitate the removal of impediments to cross-border commerce;

(4) to promote friendly relations and economic cooperation;

(5) to help promote market-oriented principles and practices;

(6) to assist in the development of the infrastructure necessary for communications, transportation, education, health, and energy and trade on an East-West axis in order to build strong international relations and commerce between those countries and the stable, democratic, and market-oriented countries of the Euro-Atlantic Community; and

(7) to support United States business interests and investments in the region.

SEC. 4. UNITED STATES EFFORTS TO RESOLVE CONFLICTS IN THE SOUTH CAUCASUS AND CENTRAL ASIA.

It is the sense of the Congress that the President should use all diplomatic means practicable, including the engagement of senior United States Government officials, to press for an equitable, fair, and permanent resolution to the conflicts in the South Caucasus and Central Asia.

SEC. 5. AMENDMENT TO THE FOREIGN ASSISTANCE ACT OF 1961.

Part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) is amended by adding at the end the following new chapter:

“CHAPTER 12—SUPPORT FOR THE ECONOMIC AND POLITICAL INDEPENDENCE OF THE COUNTRIES OF THE SOUTH CAUCASUS AND CENTRAL ASIA

“SEC. 499. UNITED STATES ASSISTANCE TO PROMOTE RECONCILIATION AND RECOVERY FROM REGIONAL CONFLICTS.

“(a) PURPOSE OF ASSISTANCE.—The purposes of assistance under this section include—

“(1) the creation of the basis for reconciliation between belligerents in the countries of the South Caucasus and Central Asia;

“(2) the promotion of economic development in areas of the countries of the South Caucasus and Central Asia impacted by civil conflict and war; and

“(3) the encouragement of broad regional cooperation among countries of the South Caucasus and Central Asia that have been destabilized by internal conflicts.

“(b) AUTHORIZATION FOR ASSISTANCE.—

“(1) IN GENERAL.—To carry out the purposes of subsection (a), the President is authorized to provide humanitarian assistance and economic reconstruction assistance for the countries of the South Caucasus and Central Asia to support the activities described in subsection (c).

“(2) DEFINITION OF HUMANITARIAN ASSISTANCE.—In this subsection, the term ‘humanitarian assistance’ means assistance to meet humanitarian needs, including needs for food, medicine, medical supplies and equipment, education, and clothing.

“(c) ACTIVITIES SUPPORTED.—Activities that may be supported by assistance under subsection (b) include—

“(1) providing for the humanitarian needs of victims of the conflicts;

“(2) facilitating the return of refugees and internally displaced persons to their homes; and

“(3) assisting in the reconstruction of residential and economic infrastructure destroyed by war.

“(d) POLICY.—It is the sense of the Congress that the United States should, where appropriate, support the establishment of neutral, multinational peacekeeping forces to implement peace agreements reached between belligerents in the countries of the South Caucasus and Central Asia.

“SEC. 499A. ECONOMIC ASSISTANCE.

“(a) PURPOSE OF ASSISTANCE.—The purpose of assistance under this section is to foster economic growth and development, including the conditions necessary for regional economic cooperation, among the countries of the South Caucasus and Central Asia.

“(b) AUTHORIZATION FOR ASSISTANCE.—To carry out the purpose of subsection (a), the President is authorized to provide assistance for the countries of the South Caucasus and Central Asia to support the activities described in subsection (c).

“(c) ACTIVITIES SUPPORTED.—In addition to the activities described in section 498, activities supported by assistance under subsection (b) should support the development of the structures and means necessary for the growth of private sector economies based upon market principles.

“(d) POLICY.—It is the sense of the Congress that the United States should—

“(1) assist the countries of the South Caucasus and Central Asia to develop policies, laws, and regulations that would facilitate the ability of those countries to develop free market economies and to join the World Trade Organization to enjoy all the benefits of membership; and

“(2) consider the establishment of zero-to-zero tariffs between the United States and the countries of the South Caucasus and Central Asia.

“SEC. 499B. DEVELOPMENT OF INFRASTRUCTURE.

“(a) PURPOSE OF PROGRAMS.—The purposes of programs under this section include—

“(1) to develop the physical infrastructure necessary for regional cooperation among the countries of the South Caucasus and Central Asia; and

“(2) to encourage closer economic relations and to facilitate the removal of impediments to cross-border commerce among those countries and the United States and other developed nations.

“(b) AUTHORIZATION FOR PROGRAMS.—To carry out the purposes of subsection (a), the following types of programs for the countries of the South Caucasus and Central Asia may be used to support the activities described in subsection (c):

“(1) Activities by the Export-Import Bank of the United States to complete the review process for eligibility for financing under the Export-Import Bank Act of 1945.

“(2) The provision of insurance, reinsurance, financing, or other assistance by the Overseas Private Investment Corporation.

“(3) Assistance under section 661 of this Act (relating to the Trade and Development Agency).

“(c) ACTIVITIES SUPPORTED.—Activities that may be supported by programs under subsection (b) include promoting actively the participation of United States companies and investors in the planning, financing, and construction of infrastructure for communications, transportation, including air transportation, and energy and trade, including highways, railroads, port facilities, shipping, banking, insurance, telecommunications networks, and gas and oil pipelines.

“(d) POLICY.—It is the sense of the Congress that the United States representatives at the International Bank for Reconstruction and Development, the International Finance Corporation, and the European Bank